## SENATE BILL REPORT SB 5772

As Reported By Senate Committee On: Government Operations & Elections, March 1, 2005

**Title:** An act relating to creating the growth management infrastructure account.

**Brief Description:** Creating the growth management infrastructure account.

**Sponsors:** Senators Kastama, McCaslin, Berkey, Esser, Benton and Kline.

**Brief History:** 

Committee Activity: Government Operations & Elections: 2/24/05, 3/1/05 [DPS-WM,

DNP].

## SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

**Majority Report:** That Substitute Senate Bill No. 5772 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Berkey, Vice Chair; Fairley, Haugen, Kline and Pridemore.

**Minority Report:** Do not pass.

Signed by Senators Roach, Ranking Minority Member; Benton, McCaslin and Mulliken.

**Staff:** Diane Smith (786-7410)

**Background:** The comprehensive plan of a county or city that is required or chooses to plan under the Growth Management Act (GMA) must consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan must be an internally consistent document and all elements must be consistent with the future land use map. Each comprehensive plan must include a plan, scheme, or design for each of the following: a land use element; a housing element; a capital facilities plan element; a utilities element; and counties must adopt a rural element.

The capital facilities plan element consists of: an inventory of existing capital facilities owned by the public entities; a forecast of future needs for capital facilities; the proposed locations and capacities of expanded or new capital facilities; at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and a requirement to reassess the land use element if probable funding falls short of meeting existing needs.

The Public Works Assistance Account, commonly known as the Public Works Trust Fund (PWTF) was created by the Legislature in 1985 to provide a source of funding to assist local governments with infrastructure projects. The Public Works Board, within the Department of Community, Trade and Economic Development, is authorized to make low-interest or interest-free loans from the account to finance the repair, replacement, or improvement of the

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following public works systems: bridges; roads; water and sewerage systems; and solid waste recycling facilities. All local governments except port districts and school districts are eligible to receive loans.

The Public Works Assistance Account receives dedicated revenue from the following: a portion of the state real estate excise tax, utility and sales taxes on local water, sewer and garbage collection; and loan repayments. The legislative appropriation from the Public Works Assistance Account is made in the capital budget; however, the project list is submitted annually in separate legislation. Each year, the Public Works Board is required to submit a list of public works projects to the Legislature for approval. The Legislature may delete a project from the list, but it may not add any projects or change the order of project priorities.

**Summary of Substitute Bill:** The Legislature finds that the needed infrastructure identified in the capital facilities elements of comprehensive plans far exceeds existing funding. A growth management infrastructure account is created in the state treasury. Moneys may be placed in the account from the proceeds of bonds when authorized by the legislature or from any other lawful source. The Public Works Board must use appropriated moneys from the account to provide financial assistance to qualifying local governments and must manage appropriated funds from the account.

Growth infrastructure projects are defined as costs related to bridges, roads, domestic waters, sanitary sewer, storm sewer, and solid waste/recycling projects, exclusive of project landscaping for non-erosion control purposes. Units of local governments eligible for these funds are cities, towns, special purpose districts, and counties. Requirements are specified to qualify for financial assistance.

Existing debt or financial obligations of local governments may not be refinanced with moneys from the growth management infrastructure account unless refinancing enables use of other funds, in like amounts, for growth infrastructure projects. However, a local government may undertake construction projects in excess of the minimum level financed by the growth management infrastructure account.

Expenses for administration are appropriated from the account.

**Substitute Bill Compared to Original Bill:** The original bill does not have some of the qualifying language of the substitute, such as the clarification for refinancing. The original bill permitted no financing for landscaping and did not address the expenses for administration.

**Appropriation:** None.

**Fiscal Note:** Not requested.

Committee/Commission/Task Force Created: No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** GMA creates unfunded mandates for infrastructure. We must not overload the Public Works Trust Fund. The need for three billion dollar from the Public Works Trust Fund continues to go on. Without the bill, the whole growth management plan goes wanting.

**Testimony Against:** None.

**Who Testified:** PRO: Bradley J. Collins, American Planning Association and City of Port Angeles; Rick Slunaker, Associated General Contractors; Vern Veysey, Association of Realtors.

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